

April 24, 2012

Sent Via Electronic Transmittal

To the Honorable Members of *The Ways and Means Committee* of the House of Representatives of the United States of America

Re: The extension of the wind energy production tax credit (PTC)

Dear Sir and/or Madam,

I, Curt Johnson, CEO of Denali Energy, Inc. and Principal of Hartland Wind Farm, LLC, Pequot Lakes, Minnesota, am writing to your committee and am respectfully urging Congress to extend the wind energy production tax credit (PTC) as quickly as is possible.

I also wish to share a few thoughts as to my perspective for the immediate renewal thereof:

1) Let's better define what the PTC really is:

The PTC is an "incentive" and NOT a subsidy. One has to "produce" something in order to benefit under the PTC.

2) How does it advance energy development activity:

Firms such as our will utilize the PTC to raise "Private Capital" to develop and finance our wind energy project and competitively produce electricity.

3) Who will benefit from the PTC:

First is the consumers of the electricity that we produce. Our product will be priced at competitive rates within the marketplace, as the market is reluctant to pay more than market price. The PTC "WILL NOT" cause the price of electricity to rise. Quite the opposite in fact. The laws of supply and demand will be employed in this case, and the PTC will likely cause the price to retreat, given the additional supply of the product, electricity.

Second will be the source of the Private Capital. Those that purchase or otherwise "monetize" our PTC's are of "very high net worth" or "very profitable" corporate entities. This is where we, as developers, find our source of "unconventional" financing. In exchange for a promise to transfer the PTC, upon production of the product, electricity, they provide to us the needed capital for project development and financing.

Finally, these high net worth individuals and/or entities utilize the PTC's they've received from us, post product production, to effectively lower their tax burden(s), thus, providing them more capital for investment into our economy.

In summary, for those Republican committee members, the PTC is a "tax break" for the "One Percenters", plain and simple, for those Democrat committee members, the PTC furthers the economies of "Rural America", who benefit from the development of energy projects such as our Hartland Wind Farm project in rural Northwestern North Dakota, and for those Independent committee members, the PTC furthers the Security of our Nation and creates jobs deep into the supply chain of energy development, which includes manufacturing and the consumption domestic of raw materials.

In closing, quite frankly, I just can't see how anyone could argue **against** the renewal of the Production Tax Credit.

Thank you.

Sincerely,

Curt Johnson
CEO – Denali Energy, Inc.
Principal – Hartland Wind Farm
31941 County Road 112 – PO Box 149
Pequot Lakes, MN 56472 - Telephone 218.568.6500 (Office – Main) – Email: curtj@denalicompanies.com